

AGREEMENT
BETWEEN
INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS, AFL-CIO
LOCAL UNION NO. 1245 NEEDLES, CA
AND
CITIZENS COMMUNICATIONS

Effective
May 3, 2014 through May 6, 2017

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AGREEMENT

THIS AGREEMENT made and entered into effective May 3, **2014** between Citizens Telecommunications Company of California Inc., d.b.a., Frontier Communications of California (hereinafter called "Company") and Local Union No. 1245 of the International Brotherhood of Electrical Workers, AFL-CIO, (hereinafter called "Union"), hereby mutually establishes and agrees upon the working conditions and wage schedules hereinafter set forth.

ARTICLE I

RECOGNITION

1.1. For the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment, the Company recognizes the Union as the exclusive representative of the telephone and CATV employees holding the classifications listed in Exhibit A, hereof.

1.2. The Company shall not by reason of the execution of this Agreement eliminate, modify or reduce the scope of any present plan, rule or policy to the detriment of the employees. The foregoing shall not limit the Company in making changes when such have been negotiated and agreed to by the Company and the Union.

ARTICLE II

TERM OF AGREEMENT

2.1. This Agreement shall remain in full force and effect from May **3, 2014**, up to and including May **6, 2017**, and thereafter from year to year unless and until the Company or the Union serves written notice on the other at least sixty (60) days prior to the said date of May **6, 2017**, or any anniversary of said date, that it desires to modify, amend or terminate this Agreement or any of the terms or provisions hereof.

2.2. In the event that any provision of this Agreement shall be made invalid by applicable legislation or be declared invalid by any court having jurisdiction in respect thereof, such action as to such provision shall not affect the remainder of this Agreement, and all other terms and provisions hereof shall continue in full force and effect as set forth herein. Upon any such judicial determination, the Company and the Union will promptly negotiate and endeavor to reach agreement upon a suitable substitute for the provision so found to be invalid.

ARTICLE III

CONTINUITY OF SERVICE

3.1. Nothing in these rules is intended or shall be used to violate any municipal ordinance, state law or safety standard, or any other legal public requirement, nor is it intended to allow public or personal danger to continue to the detriment of either the general public, the Company or the employees.

3.2. The Company is a public utility engaged in the public service of operating communications services in Needles, California and vicinity.

3.3. It is mutually recognized that the interests of the Company, the Union and the welfare of the general public require the continuous rendering of service by the Company, and the parties hereto agree that recognition of such obligation of continuous service is imposed upon both the Company and its employees.

3.4. (a) To facilitate the continuous performance of such service, the Company agrees to meet with the Business Manager of the Union, or his designated representative, in reference to any matter coming within the scope of this Agreement and agrees that it will cooperate with the Union in its efforts to promote harmony and efficiency among all employees of the Company.

3.4. (b) Annually, or more frequently by mutual agreement, a joint labor-management meeting shall be scheduled for the purposes of improving communications and promoting harmony and cooperation between the Company and the Union through discussions of matters of policy and operation which are of general concern. Attendees at these meetings shall include the District Supervision and Union Shop Stewards.

3.5. The Union agrees that the employees covered by this Agreement or any of them, will not be called upon or permitted to cease or abstain from the continuous performance of the duties pertaining to the position held by them under the Company, and the Company agrees on its part to do nothing to provoke interruption of or to prevent such continuity of performance by said employees insofar as such performance is required in the normal and usual operation of the Company's property. It is mutually agreed that any differences that may arise between the above parties shall be settled in the manner hereinafter provided.

3.6. The Union agrees for its members who are employees of the Company that they will individually and collectively perform loyal and efficient work and service and that they will cooperate in promoting and advancing the welfare of the Company and the protection of its service to the public at all times.

3.7. Neither the Company nor the Union will discriminate against any employee in the application of the terms of this Agreement because of race, color, creed, national origin, age, sex, religion, marital status, non-disqualifying physical or mental disability, sexual orientation, status as a disabled and/or Vietnam veteran, or membership or non-membership in the union.

ARTICLE IV

EMPLOYER'S RIGHTS

4.1. The supervision and control of all operations and the direction of all working forces are vested in the Company, including the right to hire, the right to suspend or discharge for proper cause, or to transfer employees, or to relieve employees from duty because of lack of work, or for other legitimate reasons in accordance with the terms of this Agreement.

4.2. The Company retains the right to exercise discipline in the interest of good service and the proper conduct of its business, provided that an employee who has been laid off,

discharged or disciplined shall be advised of the reasons or reason for such action and shall have the right of appeal through the grievance and arbitration procedure provided by this Agreement. No discipline by temporary suspension shall be administered to any employee which shall permanently impair his or her seniority rights.

ARTICLE V

UNION SECURITY

5.1. Any present employee, and those who subsequently become members, who is or who becomes a member of the Union shall, as a condition of employment, maintain his/her membership in the Union in good standing in accordance with its Constitution and By-Laws. New employees hired after the effective date of Agreement coming within the classifications covered herein, shall, as a condition of employment, be required to become members of the Union after thirty-one (31) days of employment and shall be required to maintain his/her membership in the Union in good standing in accordance with its Constitution and By-Laws.

5.2. The Company agrees to notify the Union of the name and address of an applicant for employment when such applicant is accepted for assignment to a job.

5.3. The Company shall deduct from their wages and pay over to the proper officers of the Union the membership dues of the members of the Union who individually and voluntarily authorize such deductions in writing. The form of check-off shall be approved by the Company and Union.

ARTICLE VI

UNION'S RIGHTS

6.1. An employee who requests time off for Union activities in addition to regular time off shall be granted such request if such time off will not inconvenience the operations of the Company or increase its operating expenses; provided further that such employee shall receive no compensation from the Company for such time off.

6.2. The Company agrees to permit the Union to use reasonable space for the purpose of posting officially signed bulletins upon the bulletin boards which are furnished by the Company.

6.3. The Union may designate Shop Stewards as it deems necessary for the proper administration of its affairs and for the proper execution of the provisions of this Agreement.

6.4. Nothing in this Agreement shall be construed to limit the Company in the employment of such contract labor as, at the discretion of the Company may become necessary for the proper construction, installation, removal and maintenance of communication facilities owned, serviced, and/or operated by the Company for the renditions of proper and adequate communication service to the public. The Company by this Agreement, if, as a result thereof, it would become necessary to lay off or reduce the rate of pay of any such employee and in no case shall such work be let to contract under wages or conditions less favorable than prevailing Union wages and conditions in the area applicable to the type of work to be performed. However, the

Company shall not enter into any contractual arrangement for the construction, installation, removal, and/or current maintenance of plant facilities that may result in the layoff or reduction to part-time of its employees customarily performing work of the same nature as that to be provided under the contractual arrangements, with the exception that the sale of plant in place may include removal by purchaser.

ARTICLE VII

STATUS OF EMPLOYEES

7.1. Employees of the Company covered under this Agreement shall be designated as regular, full-time, probationary, temporary, or part-time. Part-time employees shall receive only those benefits specifically identified as applicable to part-time employees and those required by law.

7.2. All employees of the Company will be considered probationary employees for the first six (6) months of employment and may be terminated at the discretion of the Company so long as the termination is not discriminatory and is not for the purpose of keeping the jobs filled with probationary employees. At the end of the six (6) month period, they will cease to be probationary employees and will rank in seniority from the date of their original hiring.

7.3. A temporary employee is one who is hired for a specific job which is expected to last up to nine (9) months. An employee who is hired on a temporary basis and subsequently becomes a regular employee shall rank in seniority from his or her original hiring date for purposes of sick leave and vacation accruals. However, temporary employees hired for specific jobs are to remain as temporary employees until the specific job for which they were hired is completed. Through December 31, 2016, a temporary employee shall accrue the following benefits: medical/dental insurance, sick leave, vacation, and holidays upon completion of nine (9) months of cumulative service.

7.4. A regular employee is one who has satisfactorily completed his or her probationary period.

7.5. A regular employee who is laid off because of lack of work shall resume his or her status as a regular employee in accordance with the rules and regulations of the Company's benefit plans, if he or she returns to employment within one (1) year. However, employees who leave the service of the Company for any other reason shall, if and when reemployed, be considered as new employees and shall be required to complete a new probationary period.

7.6. Notwithstanding the provisions of 7.5, above, and Article X, Sections 10.5 and 10.6, regular employees who are laid off for lack of work shall be given preferential rehire rights over any other persons, to a vacancy in their former classification and status for a period of eighteen (18) months from their last day worked, provided the employee is competent to fill the vacancy and available to return to work within two (2) weeks from the date registered mail notice is sent to the last address furnished the Company.

ARTICLE VIII

GROUP INSURANCE AND RETIREMENT PLANS

8.1. **The Medical Plans, Drug Plan, Dental Plan, Vision Plan, Long Term Disability Plan, Flexible Spending Accounts Plan, Life Insurance Plan, Retiree Life Insurance, Pension Plan and Savings Plan(s) in effect as of January 1, 2014 shall continue to be available to eligible employees in accordance with the terms and conditions of those Plans, except as modified herein. The EPO and PPO Plan Design Changes for 2015, 2016 and 2017, shall be as shown on the Plan Design Changes Summaries attached to this Article. Notwithstanding any other provisions of this Article, for Plans in effect on January 1, 2012 and thereafter, the Company may increase any deductible or co-pay contribution by up to 25% in a calendar year. Domestic partner coverage will be made available in accordance with the Plans.**

Effective January 1, 2015, the Company EPO Plan will be considered a “buy up” from the Company PPO Plan. The employee is responsible for any premium cost above and beyond the Company contribution for the PPO Plan –if the premium for the EPO Plan is higher than the premium for the PPO Plan.

Effective January 1, 2015, employees who enroll in any Medical Plan option will be responsible for the full amount of the Transitional Reinsurance Fee and the Patient Centered Outcome Research Fee required by the Patient Protection and Affordable Care Act (PPACA). Payment for these taxes and fees will be made through payroll deduction in the same manner as the employee’s premium contributions.

The Company may make changes, additions, or deletions to these plans, and may drop or add plans, provided:

- (a) The changes do not reduce the overall level of benefits,
- (b) The changes apply to a majority of Frontier Communications employees covered under such plan, and
- (c) The Company provides the Union with no less than 60 days’ notice of any intended changes and meets to discuss these changes with the Union.

In the event that any dispute arises as to whether the proposed change does or does not reduce the overall level of benefits, the dispute will be referred to expedited arbitration without exhaustion of the grievance procedure. If the arbitrator determines that the overall level of benefits is less than those in effect on January 1, **2015**, as modified herein, the plans in effect on that date, as modified herein, shall be restored as soon as administratively possible after the arbitrator’s decision.

Effective January 1, 2012, temporary employees will not be eligible to participate in any of the Group Insurance and Retirement Plans provided for under this Article 7.

Effective June 1, 2014 new hire eligibility for all Company medical, dental and vision plans shall be the first month following ninety (90) days of employment.

Effective June 1, 2014, employee and dependent(s) medical, dental and vision coverage will terminate on the same date employment terminates. Coverage under COBRA may be available.

Employee Contributions

8.2 For the balance of **2014**, the employee share of premiums (or premium equivalent) for the medical plan that the employee elects shall remain at **23%** of the medical plan chosen by the employee. The employee share of premiums (or premium equivalent) for the medical plan that the employee elects will be **23%** as of January 1, **2015**, **24%** as of January 1, **2016**, and **24%** as of January 1, **2017** provided that in no event will the increase in an employee's share of the premium (or premium equivalent) cost relative to the prior year exceed 25% of what the employee was paying the prior year for the same type of coverage.

8.2.1 Effective January 1, 2012, and thereafter, an additional "Tobacco User Premium" equal to 10% of the premium (or premium equivalent) cost for single coverage in the medical plan that the employee elects will also be assessed if the employee and/or a covered spouse/domestic partner is a tobacco user.

8.3 The employee share of premiums (or premium equivalent) for the dental plan shall remain at 25%.

8.4 The employee share of premiums (or premium equivalent) for the vision plan shall remain at 50%.

Within ninety (90) days of the ratification date of this agreement, designated representatives of the Company and IBEW Local Union 1245 will meet to discuss current best practices and potential medical plan options to attempt to ensure reduced health care costs for both the employees and the Company going forward. The Union will be given the opportunity to present information to the Company which may include presentations from PG&E, NV Energy, IBEW Local Union 1245/NECA and others. The Company agrees to give any plans presented by the Union full and fair consideration.

Once the Union has had an opportunity to make their presentations to the Company, the Company agrees to respond to the Union within sixty (60) days. Should further discussions be necessary, the parties agree to meet as soon as practicable.

Pension Plan

8.5 Employees with ten years of service who, as of May 31, 1996, have a combination of full years of age and full years of service that total 55 or more, will continue to accrue service in accordance with the provisions of the Frontier Communications Pension Plan (formerly known as the Citizens Pension Plan and hereinafter referred to as the "Pension Plan"), Appendix XII. If, within two months of becoming eligible to retire in accordance with the early retirement provisions of such Appendix, such employee does not retire, all future service commencing from the second full month following such eligibility shall accrue in accordance with Appendix 1B of the Pension Plan and the employee's accrued benefit in accordance with Appendix XII shall be frozen.

8.6 Employees hired prior to May 1, 2011, who do not have ten years of service or a total of 55 points or more as of May 31, 1996 shall, effective July 1, 1997, commence accruing benefits in accordance with the Pension Plan Appendix 1B and such employee's accrued benefit in accordance with Appendix XII, if any, shall be frozen.

8.7 Employees hired on or after May 1, 2011, shall not be eligible to participate in a Pension Plan but shall be eligible to participate in the 401(k) Savings Plan, with a Company match, in accordance with Article 8, Section 8.12.

8.8 Employees hired prior to May 1, 2011, who will not attain 25 years of service prior to May 1, 2011, shall be afforded three (3) opportunities (the first during the fourth calendar quarter of 2011, the second during the fourth calendar quarter of 2012, and the third during the fourth calendar quarter of 2013) to elect to opt out of pension coverage and elect to participate in the 401(k) Savings Plan, with a Company match. The election to opt out, once made, cannot be revoked. As of the date on which this change takes effect, any employee who has chosen to opt out of pension coverage shall cease to accrue any additional benefit under the Pension Plan (the employee's accrued pension benefit will be "frozen"), and no additional accredited benefit service or compensation shall be taken into account in determining pension benefits for any such employee. However, any employee who has not yet fully vested will continue to accrue vesting service in accordance with the terms of the Pension Plan, which provides for full vesting after 5 years. As of that same effective date, the employee will become eligible for a Company match under the 401(k) Savings Plan in accordance with Article 8, Section 8.12.

Retiree Medical and Retiree Life

8.9 Employees who have been hired as of April 30, 2000 and who have attained or who will attain 55 points (combined total of age and pension service) with at least 10 years of service as of May 31, 2001 shall have available to them the retiree medical plan and retiree life insurance. Such employees shall have the option: to elect, no later than August 31, 2000, on a form prepared by the Company, one of the following:

- (i) The employee elects to wait until his/her retirement date to determine whether he/she shall retain the retiree medical OR receive a lump sum payment of \$3,500 taken directly (less all applicable deductions) OR receive \$3,500 as a direct payment into the employee's 401(k) account in accordance with the terms of the 401(k) plan.
- (ii) The employee elects, no later than August 31, 2000 to receive a lump sum payment of \$3,500 as a direct payment into the employee's 401(k) plan.

Such election shall be irrevocable by the employee.

8.10 Employees hired prior to April 30, 2000 who have not attained and who cannot attain 55 points with at least 10 years of service by May 31, 2001 shall have available to them whatever retiree medical plan, if any, that is in effect at the time they retire. These employees shall be eligible to receive a lump sum payment of \$3,500. This lump sum payment may be received directly (less all applicable deductions) or may be taken as a direct payment into the employee's 401(k) account in accordance with the terms of the 401(k) plan. This payment shall be paid out in accordance with the election of the employee no later than the last pay period in October 2000.

401(k) Savings Plan

8.11 Regular full-time and regular part-time employees hired prior to May 1, 2011, who do not or cannot exercise the option described in Article 8, Section 8.8, shall be eligible to participate in the Company 401(k) Savings Plan~~s~~ (the “401(k) Plan”), without a Company match~~s~~, in accordance with the terms of the 401(k) Plan.

8.12 Regular full-time and regular part-time employees hired on or after May 1, 2011, and those employees who exercise (d) the option described in Article 8, Section 8.8, shall be eligible to participate in the 401(k) Plan, *with* a Company match, in accordance with the terms of the 401(k) Plan.

8.12.1 Each employee eligible to participate in the 401(k) Plan, with a Company match, who makes employee contributions to the 401(k) Plan shall be eligible for Company matching contributions equal to 50% of the first 8% of such employee’s contributions to the 401(k) Plan (subject to a maximum Company contribution of 4% per pay period and to a five-year graded vesting schedule in accordance with the terms of the 401(k) Plan).

8.13 The 401(k) plan fiduciary, in its’ sole discretion, will determine the 401(k) investment managers, plan record-keeper and Trustee, in accordance with ERISA.

Health Insurance Continuation

8.14 An employee who qualifies for long-term disability benefits will also be eligible to receive his/her level of health insurance coverage’s, **at the same contribution level** that the employee received at the time of the disability, for a period of 12 months from the time that the employee first receives Short and Long Term Disability benefits.

Plan Design Change Summaries

EPO Plan

Plan Features	2015 FTR Exclusive EPO		2016 FTR Exclusive EPO	Δ	2017 FTR Exclusive EPO	Δ
Annual Deductible*	Company may not increase any deductible or co-pay by more than 25% year over year.					
Annual OOP Max	\$3,500/\$7,000 Deductible, co-pays and coinsurance apply	\$0	Deductible, co-pays and coinsurance apply	\$0	Deductible, co-pays and coinsurance apply	\$0
Primary Care Office Visits	Company may not increase any deductible or co-pay by more than 25% year over year.					
Specialty Office Visits						
OP Lab and X-Ray						
Well Baby Care	100% paid	\$0	100%	\$0	100%	\$0
Routine Physical	100% paid	\$40	100%	\$0	100%	\$0
Routine Well Woman	100% paid	\$40	100%	\$0	100%	\$0
In-Patient Hospital & Related Services	\$200 co-pay then 90% paid		\$200 co-pay then 90% pd		\$200 co-pay then 90% pd	
Out-Patient Surgery and Related Services	\$200 co-pay then 90% paid		\$200 co-pay then 90% pd		\$200 co-pay then 90% pd	
Advanced Diagnostic Radiology Services (MRI, MRA, Ct-scan, Pet-scan)	90% paid	New	90% paid	0%	90% paid	0%
Hospital ER	Company may not increase any deductible or co-pay by more than 25% year over year.					
RX Retail (30 days)	\$15/\$45/\$50/\$55	\$0/\$0/\$5/\$10	Company may not increase any deductible or co-pay by more than 25% year over year.			
RX Mail (90 days)	\$37.5/\$112.5/\$125/\$137.5	\$7.5/\$22.5/\$35/\$47.5				
Various benefits limitations in the 2014 Summary Plan Description will continue to apply for the duration of this contract						
* Annual deductible applies to services that are payable at 100%, such as x-ray & lab. For detail list of these services, refer to the SPD.						

PPO PLAN

Plan Features	2012 FTR Preferred PPO	Δ	2013 FTR Preferred PPO	Δ	2014 FTR Preferred PPO	Δ
Annual Deductible	Company may not increase any deductible or Out-of-pocket by more than 25% year over year.					
Annual OOP Max	\$5500/\$9000	\$0	\$5500/\$9000	\$0	\$5500/\$9000	\$0
Primary Care Office Visits	80% in /60% out*	0	80% in /60% out*	0	80% in /60% out*	0
Specialty Office Visits	80% in /60% out*	0	80% in /60% out*	0	80% in /60% out*	0
OP Lab and X-Ray	80% in /60% out*	0	80% in /60% out*	0	80% in /60% out*	0
Well Baby Care	100% in / 60% out	0	100% in / 60% out	0	100% in / 60% out	0
Routine Physical	100% in / 60% out	(20%)	100% in / 60% out	0%	100% in / 60% out	0%
Routine Well Woman	100% in / 60% out	(20%)	100% in / 60% out	0%	100% in / 60% out	0%
In-Patient Hospital	80% in /60% out*	0	80% in /60% out*	0	80% in /60% out*	0
Hospital ER	80% in or out	0	80% in or out	0	80% in or out	0
RX Retail (30 days)	\$15/\$45/ \$50/\$55	\$0/\$0/\$5/ \$10	Company may not increase any deductible or Out-of-pocket by more than 25% year over year.			
RX Mail (90 days)	\$37.5/\$112.5/\$125/\$137.5	\$7.5/\$22.5/\$35/\$47.5				
Various benefit limitations that are summarized in the 2011 Summary Plan Description will continue to apply for the duration of this contract.						
* Annual deductible applies to these services						

- Effective January 1, 2012 (for both the FTR Exclusive EPO and the FTR Preferred PPO) the Plans will provide a \$20,000 Lifetime maximum benefit for the surgical treatment of Morbid Obesity per covered member.
- Effective January 1, 2012 (for both the FTR Exclusive EPO and the FTR Preferred PPO) Dependent Children Eligibility under the Plans will be as follows:
 - To age 19 or 23 (if a full-time student) for the following benefits:
 - Dental
 - Vision
 - Medical & Prescription (Domestic Partner dependent children only)
 - To age 26 (no eligibility requirements apply, in accordance with the Health Care Reform Act) for the following benefit:
 - Medical & Prescription (Employee's Biological, Adopted, Foster and/or Step Children)

Dependent children eligibility for Child Life will continue to be to age 19 or 23 (if a full-time student)

ARTICLE IX HOURS OF WORK AND OVERTIME

9.1 The work day shall consist of eight (8) hours in one (1) day. The regular work day shall be scheduled between 6:00 a.m. and 9:00 p.m. For shifts scheduled to end after 6:00 p.m., an employee will be paid a wage differential of five percent (5%) of the employee's basic hourly wage rate for each hour worked after 6:00 p.m. on such shifts. The shift premium shall be added to the basic rate of pay for purposes of computing overtime.

9.2 The work week shall begin at 12:01 a.m. Sunday and end Saturday at 12:00 midnight, the same as a calendar work week.

9.3 Monday through Friday shall constitute the normal workweek. If operating needs require it, the Company may establish a Tuesday through Saturday workweek and/or Sunday coverage. In the event the Company is to establish Sunday coverage, the Company and the Union shall meet to discuss the appropriate work week (Sunday-Thursday or other) and the assignment of employees. The assignment of employees shall be determined by rotation unless otherwise agreed to by the Company and Union.

HOURS OF WORK AND OVERTIME

9.4 If operating needs require it, the Company may schedule employees to work an eight (8) hour shift other than provided in Section 9.1. If such a schedule is established, the shift shall constitute eight (8) consecutive hours, including a one-half (1/2) hour paid meal break. Employees must have at least seventy-two (72) hours' notice prior to being assigned the shift. Employees will be assigned to such shifts for a minimum of five (5) consecutive work days, except that this requirement need not apply in situations where work is performed outside of regular hours in order to minimize the impact of a customer service outage (for example, a switch upgrades or a cut-over done overnight). The assignment of employees shall be determined by district seniority unless otherwise agree to by the Company and Union.

9.5 Notwithstanding any other Section of this Article, the Company may establish a four-day work week, composed of four (4) ten (10) hour shifts (not including unpaid meal periods), as a normal 40 hour work week. In such cases, the total number of hours constituting a five-day normal work week will be scheduled over four days of the calendar week, with at least two (2) consecutive days off and at least one (1) of these two (2) consecutive days off on either a Saturday or Sunday. Subject to the needs of the business, the Company will endeavor to provide both three (3) consecutive days off and at least one (1) of these three (3) consecutive days off on either a Saturday or Sunday.

- (a) When a four-day schedule is in effect, the duration of normal shifts as specified in the Agreement shall be considered to be expanded accordingly in their starting and/or ending times.
- (b) In administering four-day work weeks, the Company will first offer four-day work weeks to qualified employees in the affected classification and location on a voluntary basis in seniority order. If there are insufficient qualified volunteers, four-day work weeks will be subject to the shift selection provisions of the general Agreement.
- (c) When a four-day schedule is in effect as a normal work week, overtime payments shall be made only for time worked in excess of 40 hours in a week, in excess of 10 hours in a day, or on the 7th consecutive day when, notwithstanding the provisions of this Section 9.5 or any other provision of the general Agreement, the Company is required to pay overtime under California state law.
- (d) Pay allowances for absent time (including sick leave) occurring during four-day work weeks will be subject to the conditions specified in this Agreement. Whenever pay treatment is calculated on a daily as opposed to an hourly basis (such as bereavement

leave days versus sickness leave), a scheduled day of a four-day work week and a scheduled day of a five-day normal work week will each count as one full day. Otherwise, pay treatment will be handled on an hourly basis.

- (e) Vacation time will be charged hour for hour based on the number of hours actually scheduled on the shift in question. For example, if an employee takes off one day of a 4-day work week, tens hours of vacation time (1.25 days) will be charged. If an employee takes off an entire 4-day work week, 5 days of vacation time will be charged.
- (f) For weeks in which an employee has jury duty, and calendar weeks containing the seven (7) named Holidays recognized under Article 13, Section 13.1, the Company will revert to a five-day schedule. With management approval, for weeks with named Holidays, an employee may stay on a four-day work week, take off the named Holiday, and use two hours of Paid Time Off (PTO) on the named Holiday to cover the 10-hours off. Where the named Holiday falls on an employee's non-scheduled day, the employee may, with management approval, schedule another day off and use two hours of Paid Time Off (PTO) to cover the 10-hours off.

9.6 (a) The Company may schedule employees to standby making them available for duty. Such assignments shall be rotated within a job classification and employees assigned shall receive pay for each hour of standby according to the formula listed below. Such pay shall be in addition to any call-out time.

Two times the hourly wage rate divided by 24

- (b) The Company will, as much as practicable, endeavor to equally distribute standby assignments, within a classification, to the extent of their duration, including equalization of assignments involving holidays.
- (c) Employees assigned to standby may also be assigned a Company vehicle in order to respond to call-out from their home provided they live within twenty-five (25) road miles from their regularly established headquarters.
- (d) The Company will provide a cellular telephone for use by those on standby for the period of time on standby. The Company will provide a laptop computer for use by those on standby for central office trouble for the period of time on standby.

9.7 Employees shall report to their appropriate headquarters and then shall travel from job to job on Company time.

9.8 When employees are assigned to travel to and from authorized training schools and such travel occurs on the employee's scheduled non-work days or non-work hours, they shall receive straight time pay for actual travel time.

9.9 Employees shall observe two (2) twenty (20) minute work breaks per day, each as is practicable to the mid-point in time between starting and lunch, and lunch and quitting time. Part-time employees shall observe one (1) twenty (20) minute work break or two (2) ten (10) minute work breaks when working a five (5) hour work shift.

9.10 Time worked in excess of eight (8) hours up to 12 hours per day shall be considered overtime and shall be paid at one and one-half times (1 ½ x) the employee's regular rate of pay. Time worked in excess of 12 hours per day shall be paid as required under California state law or at one and one-half times (1 ½ x) the employee's regular rate of pay, whichever is higher.

9.11 Overtime worked on Sunday will be paid at two times (2X) the employee's regular rate of pay. If an employee works a 7th consecutive day, within the work week defined by Article 9.2, he/she will be paid in accordance with California state law.

9.12 In addition to receiving regular holiday pay, (eight (8) hours at the straight time rate), employees shall be paid one and one-half times (1 ½ x) the regular straight time rate for time worked on the holiday, except as provided in Section 9.13.

9.13 There shall be no pyramiding of overtime rates and/or premium rates calling for payment of one and one-half times (1 ½ x) the employee's basic rate of pay.

9.14 When a recognized holiday falls on a Saturday and is observed on the preceding Friday, the Company may schedule a minimum of service personnel to work at the straight time rate on that Friday. The Company will notify the employees assigned to work on the Friday observed as the holiday no later than the preceding Monday. Such assignments shall be rotated among service personnel. Employees scheduled to work on the Friday observed as the holiday shall observe the following Monday as the holiday.

9.15 When an employee requires personal time off duty other than for scheduled vacation, sick leave, or for emergency purposes, the employee shall give the Company at least five (5) days' notice of such request in order that work rescheduling may be accomplished.

9.16 Employees called out for overtime duty shall receive at least two (2) hours pay at the applicable overtime rate. Reasonable travel time to and from home will be considered as time worked. However, where an employee is on standby status and is able to clear the trouble without leaving his home, the minimum payment shall be one (1) hour at the applicable overtime rate. All work performed on overtime call-outs shall be limited to emergency work.

9.17 Every effort will be made to notify employees as soon as possible when scheduling prearranged overtime. When employees are notified during regular hours of work prior to the end of their last regular scheduled eight hour period of work that they are prearranged to report for duty before their next scheduled starting time, either on work days or non-work days, they shall provide their own lunch.

9.18 If an employee worked for eight (8) hours or more at the overtime rate during the sixteen (16) hour period immediately preceding the beginning of his or her regular work hours on a work day, such employee shall be entitled to a rest period of eight (8) consecutive hours on the completion of such overtime work.

- (a) There shall be included as hours worked at the overtime rate in such sixteen (16) hour period any travel time to which the employee is entitled when emergency or prearranged work is performed.

- (b) Hours worked prior to an eight (8) hour rest period shall not be included in computing another period of overtime work.
- (c) If the eight (8) hour rest period in whole or in part overlaps the employee's regular work hours, he or she will receive pay at the straight time rate for the extent of the overlap.
- (d) If the rest period overlaps his or her regular work hours, but does not extend into the second half of his or her work day, the employee may be excused from reporting for work until the beginning of the second half of his or her work day. If the rest period extends into the second half of his or her work day, the employee may be excused from reporting for work until the following work day.
- (e) Notwithstanding the foregoing, an employee may be required to work during regular work hours on a work day without having a rest period of eight (8) hours, in which event he or she shall be paid at one and one-half time (1 1/2x) the straight rate of pay for all worked performed until he or she has been relieved from duty for at least eight (8) hours.
- (f) Employees shall have been deemed excused from reporting to work on his/her regular work hours unless otherwise directed to do so.

9.19 While attending Company arranged training programs or while traveling out of town on Company authorized business, employees will be provided meals and lodging that is reasonable and customary for the period involved. As may be required, employees will be provided with Company Procurement Cards for business related travel. Authorized out of pocket expenses for incidentals shall be submitted for reimbursement using personal expense forms. The Company retains the right to deny reimbursement for unauthorized expenses and for excessive meal, lodging and/or incidental expenses.

Employees assigned to travel for the purpose of attending Company arranged training programs will be provided with transportation or mileage reimbursement for use of personal vehicle (at the IRS mileage allowance) if authorized by the Company. (The Company realizes that the employee may frequently prefer to drive his/her personal vehicle, and the Company will take such preferences into account in making its decision as to mode of transportation.)

9.20 Employees relieved from duty during the first half of the day or shift shall be paid not less than one-half (1/2) day's pay. If relieved after having been on duty more than one-half (1/2) day, they shall be paid a full day's pay except that if they are relieved at their own request, they shall be paid only for time worked.

9.21 When employee(s) are sent away to school, the Company and employee(s) will consider the arrangements for travel by the employee(s) while at school at the same time that arrangements for travel to and from school are made.

ARTICLE X
SENIORITY

10.1 There shall be two types of seniority - namely, classification seniority and Company seniority. Classification seniority shall be considered in matters of qualification for promotion. Company seniority shall be considered in such matter as selection of vacation period, sick leave, retirement and rehiring of laid off employees.

10.2 When new jobs above the entry level are created or vacancies occur in such jobs, and these jobs are expected to last for more than thirty (30) days, such new jobs or vacancies shall be posted on the bulletin board by the Company for a period of one (1) week. It shall be the duty of the Company to set forth in said bulletin the nature of the job, its duties, reasonable qualifications required and rate of pay. At the same time, the Company will furnish the Union a copy of this bulletin. Within ten (10) working days after the closing date for their receipt, applications received from regular employees of the Company will be considered, the job awarded and the name of the successful applicant, if any, posted on the bulletin board where the job was announced. If no applications are received from qualified regular employees within the period of ten (10) working days after the job classifications are posted, the Company may then fill the job from outside the service.

10.3 Whenever a vacancy occurs in any job classification, the Company, may at its discretion, temporarily fill such vacancy. If practical, any such temporary appointment shall be given to the employee who would be eligible therefore under the provisions of this Agreement.

10.4 Employees may file their applications in the Division Office or by U. S. Mail. However, the Company need not consider any application postmarked after the closing date specified in Section 10.2, above.

10.5. It is understood and agreed that in all cases of transfer, promotion, decrease of personnel or recall after layoff, the following factors shall be considered, and where factors 1 and 2 are sufficient, factor 3 shall govern:

1. Knowledge, training, ability, skill, adaptability and efficiency.
2. Physical fitness required for the job.
3. Seniority. In the determination of seniority for this purpose, classification seniority with the Company shall be given first consideration and seniority with the Company, second.

10.6 When it becomes necessary for the Company to lay off regular employees due to lack of work, the Company shall give employees concerned as much notice as possible, but in no event shall employees receive less than ten (10) working days' notice of layoff or the Company may give ten (10) days' pay in lieu thereof. Where temporary and probationary employees are involved, no notice of layoff is required. Layoff in all cases due to lack of work will be determined by Company seniority and qualifications.

10.7 The Company seniority for employees who are members of the armed forces shall accrue while they are absent on military duty.

10.8 The Company shall annually make up and post on bulletin boards a Company seniority list. If no opposition is made in writing within thirty (30) days after posting, the respective seniorities shall be considered correct as listed.

ARTICLE XI GRIEVANCES

11.1 Employees of the Company shall have the right to a hearing on any differences of opinion with respect to the interpretation or application of any provisions of the Agreement. An earnest effort will be made by all parties to reach a mutually satisfactory settlement according to the following procedure:

11.1 (a) Step I. Any employee or group of employees believing himself or themselves to have a grievance may within thirty (30) days of the date that they became aware or should have been aware of the incident alleged to have occurred, present the matter in writing through the Union's Steward to the immediate supervisor, who in turn shall respond to the grievance within five (5) working days.

11.1 (b) Step II. In the event a mutually satisfactory decision is not arrived at under Step I, above, the employee or an authorized representative shall have the right to appeal, in writing, within thirty (30) days from the start of the time limits in (a), above, to the Telephone State Manager/Energy District Supervision or their designate, with a copy to the Manager of Human Resources.. In the event a satisfactory settlement is not arrived at within fifteen (15) days after written appeal is submitted, either party may appeal in writing to the Review Committee, Step III.

11.1 (c) Step III. The Review Committee shall consist of a Company member and a Union member. The Review Committee shall have an additional twenty (20) days from the conclusion of Step II for a full consideration in an effort to resolve the grievance. If resolved, the written decision of the Committee shall be final and binding.

11.2 Any dispute arising hereunder which is not settled satisfactorily through the foregoing grievance procedure may be submitted within five (5) working days of the end of the time limits in 11.1(c) and at the request of either party to a Board of Arbitration, to be selected in a manner specified hereinafter. The Company and the Union agree that the majority decision of such Board shall be final and binding on both parties.

11.3 The Board of Arbitration referred to above shall be comprised of three (3) members; one (1) being appointed by the Company through its Manager, Human Resources; another to be appointed by the Union through its Business Manager; and the third to be chosen by the (2) so selected.

11.4 In the event the two (2) members selected by the Company and the Union are unable to agree on the selection of the third member within three (3) days after meeting for that purpose, they shall then request the Federal Mediation and Conciliation Service to nominate three (3) persons from which the third member shall be selected. The Company shall challenge one (1) of these nominees presented; the Union shall likewise challenge one (1). The party

having first challenge shall be decided by lot. The nominee so selected shall become the third arbitrator.

11.5 The Board of Arbitration shall conduct a hearing on the matter at issue and both parties shall be allowed to present such evidence and make such argument as they see fit. Either party may call any employee as a witness in any proceeding before the Board of Arbitration, and if the employee is on duty, the Company agrees to release the employee from duty so the employee may appear as a witness. The Union agrees, in case it is necessary to call Company employees as witnesses, that due consideration shall be given to efficient operation of the business. If an employee is called by either party to appear before the Board, the party calling the employee will reimburse the employee for all expenses, including time lost. Each party shall bear the expense of preparing and presenting its own case and the expense of its own arbitrator. The expense of the third arbitrator and incidental expenses mutually agreed to in advance shall be borne equally by both parties.

- (a) Not more than one grievance shall be heard by the Board of Arbitration in a single arbitration hearing except by mutual written agreement between the parties.
- (b) The Board of Arbitration shall be limited in their authority to a review and determination of the specific issue submitted to arbitration.
- (c) The Board of Arbitration shall have jurisdiction and authority only to interpret, apply, or determine compliance with the provisions of the Agreement or of any amendment made supplementary hereto. The Board of Arbitration shall not have jurisdiction to add to, subtract from, modify, or alter any of these terms.
- (d) The Board of Arbitration's remedy, if any, shall be limited to the specific grievance submitted for arbitration. The Board of Arbitration's determination may or may not be retroactive as the equities of the particular case shall demand, but in any case where the determination is retroactive, the retroactive effect or relief shall be limited to the date the grievance is submitted at Step I of the grievance procedure.

ARTICLE XII WORKING SAFETY COMMITTEE

12.1 The Company shall make reasonable provisions for the safety of employees in the performance of their work. The Union shall cooperate in promoting the realization of the responsibility of the individual employees with regard to the prevention of accidents.

12.2 The number of employees serving on the Safety Committee shall be at least one (1).

12.3. Every employee is urged and expected to make recommendations in writing at the time a work deficiency or unsafe condition is discovered. This recommendation shall be made to the Committee Sub-chairman assigned to this work by the Company and it shall be presented to the District Safety Committee at its next regular monthly meeting.

12.4 A safety meeting shall be held at least twice per year.

12.5 The Company will draft reasonable safety rules. The Union may submit suggestions to the Company regarding revision and enforcement of such rules, and the Company agrees to meet with the Union for purposes of Discussion of the Union's suggestions. In the event any employee violates said safety rules set up by the Company, the Company reserves the right to take disciplinary action against said employee, including suspension for a period of time without pay; however, an employee shall not lose his seniority which he or she might accrue during the period of suspension.

ARTICLE XIII HOLIDAYS

13.1 (a) Notwithstanding the provisions of Section 7.4, all full-time employees are entitled to receive eight (8) hours of holiday pay, from their date of hire, at the straight time rate for the following holidays:

New Year's Day
Memorial Day (Last Monday in May)
Independence Day
Labor Day (1st Monday in September)
Thanksgiving Day
Friday after Thanksgiving*
Christmas Day

(b) Part-time employees are entitled to receive pro-rated holiday pay based in proportion to the amount of straight time hours worked exclusive of overtime, in the prior four (4) weeks.

(c) * Consistent with operational needs, the Company may schedule up to thirty (30) percent of its bargaining unit work force, to work this holiday at the straight time rate, with employees so working being granted a day off with pay in lieu of the day after Thanksgiving.

13.2 **When any of the above holidays falls on a Sunday, the Monday following shall be observed as a holiday, and if on a Saturday, the preceding Friday shall be observed as the holiday. When a recognized holiday falls on a Saturday and is observed on the preceding Friday, the Company may schedule a maximum of two (2) plant personnel to work at the straight time rate on that Friday. The Company will notify the employees assigned to work on the Friday observed as the holiday no later than the preceding Monday. Such assignments shall be rotated among plant personnel. Employees scheduled to work on the Friday observed as the holiday shall observe the following Monday as the Holiday. However, when an employee is scheduled to work on a Saturday or Sunday as a regular straight time day, and that day is a holiday, the employee shall be paid his regular pay, and any applicable premium or differential, and holiday pay, and the foregoing provision shall not apply.**

13.3 An employee who does not report for work the day before and/or the day after a paid holiday, and who has not been excused by the **Vice President or his designate** for the day before and/or the day after a paid holiday, shall receive no pay for said holiday.

13.4 If any of the above authorized-holidays occurs on a workday within the employee's paid vacation entitlement, it shall be counted as a holiday and a regular day of vacation will be granted the employee in lieu of such holiday.

ARTICLE XIV

Paid Time Off (PTO)

14.1 PTO eligibility: PTO is an allotted number of excused paid days provided to each employee for such things as personal illness, family matters or personal business as well as for vacation. An employee's total annual allocation of PTO days is available as of January 1 of each year because employees are permitted to borrow prospectively from their annual allocation within the same calendar year. In all instances, use of PTO is subject to the approval of the employee's supervisor.

Regular employees will be granted PTO days in each calendar year on the following basis:

Use of PTO

PTO can be used for the following purposes:

- **Vacation days/ Time off**
- **Your own non-work related illness/injury**
- **Religious holidays**
- **Court appearances**
- **Dr. appointments during work hours**
- **Emergencies**
- **For the care of an immediate family member**
- **In certain situations, for otherwise unpaid Family/Medical Leave (Please consult the Family and Medical Leave Policy for more information about the use of PTO during Family/Medical Leave).**
- **Other absences at the discretion of the employee's manager**

Employees may use PTO days in hourly increments based on an 8-hour workday.

Using PTO for Short Term Disability

Each employee is required to use PTO time for their first day of Short Term Disability leave.

How PTO is Accrued

Each employee will accrue PTO days on a monthly basis, earning one-twelfth of his/her total allotment on the 16th of each month. Length of service is defined as time from each employee's date of hire.

<u>Length of Service (as of date of hire)</u>	<u>Monthly Accrual</u>	<u>Annual Allocation</u>
<u>90 days to less than 5 years</u>	<u>1.333 days</u>	<u>16 days or 128 hours</u>
<u>5 years but fewer than 10 years</u>	<u>1.75 days</u>	<u>21 days or 168 hours</u>
<u>10 years but fewer than 15 years</u>	<u>1.916 days</u>	<u>23 days or 184 hours</u>
<u>15 years but fewer than 20 years</u>	<u>2.25</u>	<u>27 days or 216 hours</u>
<u>20 years or more</u>	<u>2.5</u>	<u>30 days or 240 hours</u>

PTO for part-time employees is based on the percentage of full time hours worked by the employee. For example, a part time employee who works 20 hours per week would be eligible for 10 days or 80 hours of PTO. All temporary employees as well as part-time employees who work less than 20 hours per week are not eligible for PTO.

For new hires, PTO is accrued on the 16th of the month following 90 days. For example if you are hired in March, your PTO accrual begins on June 16th. An employee accrues at 1.333 days for a total of 12 days the first year.

PTO Carryover

Employees may carry over all unused PTO days into the following year. However, an employee's accrued PTO days cannot exceed 100% of his/her annual allocation.

Accrual Cap

Once a California employee accrues that maximum amount of PTO, he/she will not accrue additional PTO hours until hours are used and accruals can resume.

PTO AT TERMINATION

Employees who leave before the end of the year will be paid for earned but unused PTO. If an employee has taken more PTO than the employee accrued and leaves the Company, the employee's final paycheck will be adjusted.

14.2 EFFECT OF LEAVES ON ACCRUED PTO: Employees do not accrue PTO time during leaves of absence whether the leave of absence is unpaid or compensated through short- or long-term disability. In any month in which an employee's leave begins or ends, whether the leave is unpaid or compensated through short- or long-term disability, the employee will only accrue PTO in such a month if the employee has completed at least eighty-six (86) regular hours of work (including excused paid time off, but excluding overtime) in that month. For months in which an employee does not accrue PTO, the employee's PTO allotment will be reduced using the table in Section 14.1(a).

14.3 PTO Pay. Payments per week of PTO will be equal to the employee's basic hourly wage rate times the hours the employee is regularly scheduled to work in a normal week.

- a. PTO time will continue to accrue during time off due to the following:

- i. Occupational accident(s) not in excess of one year;
- ii. Company paid time on account of holidays, vacations, jury service, or death in the employee's family;
- iii. Any excused time taken off by the employee (without pay by the Company) in order to permit the employee's participation in required reserve, or National Guard, Military Service training (normally not more than two weeks); or,
- iv. Time off duty as a result of the employee's induction into military service, provided the employee has been employed for at least twelve (12) consecutive months prior to the employee's induction.

14.4 PTO SCHEDULING

- a. By November 15 of each year, the Company will post on appropriate bulletin boards a schedule showing the PTO days, which are available to each employee for the upcoming year.
- b. Between November 30 and December 31, the Company will route the PTO selection schedule. The first routing will be for weeks only; at this time, each employee shall select no more than two (2) full weeks' vacation. The second routing will be for additional weeks only. The third routing will be for full days only.
- c. Half days and hour increments will be considered on a first-come, first-serve basis, and approval is based on the needs of the business.
- d. Between January 1 and February 1, the Company will establish the schedule for all employees. The Company will give consideration to each employee's seniority and choice of PTO as is practical and consistent with the needs of the business. Employees not making their PTO selection during the initial routing will forfeit their seniority selection rights.
- e. On or before February 1, the Company shall post the PTO time schedule for employees. Employees shall make their requests to schedule PTO to their immediate supervisor prior to the beginning of their scheduled tour of duty. Such day(s) of PTO will be granted to employees upon request, needs of the business permitting.

14.5 Employees must use any accrued PTO coincident with any unpaid absence from work associated with a personal leave of absence, with a leave under the Family Medical Leave Act ("FMLA"), with a Military Leave (except that an employee shall not be required to use any available PTO coincident with the normal two (2) week summer reserve training), and/or with the first one (1) days of unpaid absence due to illness or injury that precedes an employee's receipt of short-term disability benefits provided under Article 15.

14.6 A claimed violation of this Article may be grieved and arbitrated pursuant to the applicable provisions of this Agreement.

14.7 Notwithstanding the provisions of Section 14.4, above, time-off may be changed or postponed due to illness, accident, approved leave of absence or other valid reasons by Company approval.

14.8 In the event one of the authorized holidays set forth in Article XIII, Section 13.1 (a), occurs on a work day during an employee's PTO entitlement, it shall be recognized as a holiday and the employee will be entitled to an additional day of PTO to be taken on a day agreed upon by the employee and his/her supervisor.

14.9 Should an employee be absent on account of illness, accident or on approved leave of absence at the time his/her vacation would otherwise begin, the vacation may be postponed, provided arrangements are made consistent with Company and departmental requirements.

14.10 The Company shall not require an employee to take PTO in lieu of sickness/accident disability benefits to which the employee is entitled under Article XV. However, an employee who has exhausted his or her paid sickness/accident benefits may, at his or her option, take PTO in lieu of the foregoing.

ARTICLE XV
SICKNESS/ACCIDENT PAYMENT PLAN

15.1 If an employee becomes ill or disabled and unable to work, he or she will be eligible for sick leave with pay, in accordance with this Article 15, 6 months after his/her date of hire. If circumstances warrant, Frontier Communications may require the employee to provide medical certification of inability to work due to illness or disability. Similarly, Frontier Communications may require medical certification that the employee may return to work following an absence due to illness or disability.

15.2 Short Term Disability benefits shall be as follows:

a. Short Term Disability (STD) pay is available to eligible employees, as follows:

- i. Days 2 through 30: STD pay at 100%. For each scheduled work day of absence that is eligible for payment that occurs during the first thirty (30) calendar days of the STD period, the employee is eligible to receive one hundred percent (100%) of his/her regular base pay.
- ii. Days 31 through 90: STD pay at 75%. For each scheduled work day of absence that is eligible for payment that occurs within the 31st through 90th calendar day of the STD period, the employee is eligible to receive seventy-five percent (75%) of his/her regular base pay.

- iii. Days 91 through 180: STD pay at 67%. For each scheduled work day of absence that is eligible for payment that occurs within the 91st through 180th calendar day of the STD period, the employee is eligible to receive sixty-seven percent (67%) of his/her regular base pay.
 - iv. Day 181 and beyond: no STD pay. For scheduled work days of absence beyond the 180th calendar day of the STD period, the employee shall apply for coverage under the Company's Long Term Disability (LTD) plan. Employees may also request a leave of absence for medical reasons. A leave of absence must be requested even if the employee is covered by and receiving benefits from the Long Term Disability plan.
- b. Approved Short Term Disability (STD) pay begins on the **second (2nd)** day of absence.
 - c. For the purposes of Section 15.3a only, successive periods of Short Term Disability (i.e., relapse) shall be counted together as one (1) STD period in computing the time period during which the employee shall be entitled to Short Term Disability Pay benefits, except that any personal illness or injury occurring after an employee has been continuously engaged in the performance of duty for thirteen (13) calendar weeks or more shall be considered as a new illness or injury and not as part of any STD period which preceded such thirteen (13) calendar weeks.

15.3 California Employees

Benefits for employees working in California are subject to the provisions of the State of California Disability Benefits Law. They will be eligible for the greater of the applicable disability benefit schedule shown above or the State of California Disability Benefits Schedule. Employees are required to apply for the state disability plan when applying for the Company's short and long term disability.

15.4 Illness or disability as a result of pregnancy is treated in accordance with this sick leave policy just like any other illness or disability.

15.5 Upon request, an employee who is absent due to illness will have his/her physician complete and forward to the Company a certificate outlining the nature of the illness. When such a request is made, payment of benefits will be contingent upon the receipt of such completed certificate.

15.6 Benefits will not be granted to an employee after the commencement of a leave of absence. For this purpose, a leave of absence will be considered to have commenced immediately after the termination of the employee's last tour of duty worked.

15.7 An employee who becomes ill during a paid vacation period and is unable to work on the date scheduled to return to work may be entitled to benefits.

15.8 The benefits prescribed in this article shall not be paid for sickness and/or disability due to gainful employment outside the Company. Any employee found to have

abused the sickness or disability benefits privilege by falsification or misrepresentation shall be subject to discharge.

15.9 Upon expiration of pay benefits per this Article an employee may request and shall be granted a leave of absence pursuant to Article 16.

15.10 On-the-Job Injury

Employees absent from work due to on-the-job injuries will suffer no loss of regular pay (i.e., no waiting period) for the first seven (7) calendar days following injury. Beginning with the eighth (8th) calendar day benefits will be paid at the level set forth in Section 15.2b (through June 30, 2012) or Section 15.3 (effective July 1, 2012). Such benefits will be offset by any Workers Compensation benefits received by the employee.

15.11 Administration

Upon request an employee may be required to submit to an examination at Company expense, by a physician selected by the Company to determine the employee's physical condition.

Employees are not entitled to receive this benefit at a time during which any other compensation is paid them by the Company, e.g., vacation pay, holiday pay.

15.12 Effective January 1, 2015, the Company LTD plan will pay a monthly benefit equal to fifty percent (50%) of base pay to a maximum of \$2,083 per month.

The Company agrees to offer two (2) employee paid supplemental LTD options to its employees so long as the insurance carrier offers two (2) supplemental plans to the Company.

15.13 Effective January 1, 2015, the Company Basic Life Insurance Plan will pay a benefit based on years of service as provided for below:

Employees with less than five (5) years of service:\$10,000

Employees with five (5) but less than ten (10) years of service: \$15,000

Employees with ten (10) but less than fifteen (15) years of service: \$20,000

Employees with fifteen (15) but less than twenty-five (25) years of service: \$30,000

Employees with twenty-five (25) but less than thirty-five (35) years of service:\$40,000

Employees with thirty-five or more years of service: \$50,000

ARTICLE XVI
LEAVE OF ABSENCE

16.1 Leave of absence shall be granted to regular employees for urgent, substantial personal reasons, provided adequate arrangements can be made to take care of the employee's duties without undue interference with the normal routine of work. Leave will not be granted if the purpose for which it is requested may lead to the employee's resignation.

16.2 A leave shall commence on and include the first work day on which an employee is absent and terminate with and include the work day proceeding the day his leave expires. The condition under which an employee shall be restored to employment on the termination of his or her leave of absence shall be clearly stated by the Company on the form on which application for leave is made.

16.3 Except as otherwise provided herein, an employee's seniority shall not accrue while he or she is on leave without pay. However, an employee's status as a regular employee shall not be impaired by a leave of absence, and shall be in accordance with rules and regulations of the Company's benefit plans.

16.4 The Company shall, at the request of the Union, grant a leave of absence without pay for three (3) years or less to an employee who is appointed or elected to any office or position in the Union whose services are required by the Union. The seniority of an employee who is granted a leave of absence under the provisions of this section shall accrue during the period of such leave.

16.5 A leave of absence under the foregoing conditions shall be granted to employees who enter the armed forces of the United States; provided, however, that any such leave of absence and reinstatement of any such employee shall be subject to the terms of the Selective Training and Service Act of 1940, as amended.

16.6 If an employee fails to return immediately on the expiration of his or her leave, or if he or she makes application for unemployment benefits while on leave, such employee shall there by forfeit the leave of absence and terminate employment with the Company.

16.7 Death in Immediate Family - Employees called away from work due to the death in immediate family shall, in accordance with the following, be allowed time off duty with pay to attend the funeral:

16.8 An employee may be granted up to three (3) days off duty with pay to attend such funeral. Any further extension of time off with pay must be approved by Company supervision. Members of immediate family are considered to be an employee's spouse, domestic partner, parent, grandparent, grandchild, grandparent-in-law, parent-in-law, child, son-in-law, daughter-in-law, stepchild, brother, sister, half-brother, half-sister, foster parents, or a more distant relative who was a member of the employee's immediate household at the time of death.

16.9 In the event of a request for leave due to the birth of, adoption of or receiving for foster care a child or for the serious illness of a spouse, parent, child, relative who is a dependent of the employee, or the employee, subject to the terms of this Article, the employee will be entitled to leave for up to 16 weeks in a twelve month period. This time shall run concurrently with any other approved leave. An employee must use all earned vacation prior to taking such leave. Any leave granted in accordance with this provision shall also be subject to the then current provisions of the Family and Medical Leave Act of 1993.

16.10 A leave of absence of up to three (3) days with pay will be granted upon request to a regular employee in the event of serious illness or accident of the employee's spouse, children or parents that requires the care and attention of the employee. To receive paid leave under this Section

an employee may be required to provide a statement from a physician verifying the nature of the illness or accident and the need for the employees presence.

16.11 A regular employee who is summoned to serve on a grand jury, trial jury, or jury of inquest which occurs within his or her scheduled working hours during the basic workweek will be allowed the necessary time off with pay. However, the employee is to provide to the company any check paid to the employee for such jury duty, exclusive of per diem allowances for meals and mileage.

ARTICLE XVII

WORKING RULES

17.1 Employees may be assigned to work on CATV or telephone construction, operation and maintenance work to the extent of their qualifications as determined by the District Supervision.

17.2 Company supervisors shall be responsible for determining whether weather conditions warrant cessation of outside work. In arriving at a decision with respect to weather conditions, the following factors shall be taken into account:

1. Employee safety.
2. Operating requirement.
3. Service to the public.

Upon such conditions, the employees affected shall receive full pay for the period involved.

ARTICLE XVIII

GENERAL

18.1 Meal times during periods of overtime work shall be at 6:30 a.m. for breakfast; 12:00 noon or midnight for lunch; and 6:30 p.m. for dinner.

18.2 (a) When working on overtime work after the regular day or shift which the employee was not notified of prior to reporting to work; or, when called out for work at night, Saturdays, Sundays, or holidays, the Company shall provide all meals unless employees are returned to headquarters on or before meal time. When instructed before quitting time to report for duty before the regular daily starting time, the employee shall provide his or her own lunch, the same as is regularly done on other days.

- (b) The intent of the meal provision is to provide employees an adequate meal, comparable to the one disrupted, and reasonable in price insofar as is practicable. To the extent that the Company authorizes the employee to purchase a meal in lieu

of the Company providing a meal, employees shall be reimbursed for actual meal costs, provided receipts are furnished. The Company has the right to recover or deny excessive meal charges.

- (c) Upon release from work employees, having an overtime meal due them, at their option may elect to take \$12.00 cash in lieu of said overtime meal.

18.3. In case an employee shall be required to work in a job classification higher than his or her regular classification for a period of one (1) hour or more, such employee shall receive the higher classification rate of pay for all the time worked in the higher classification. However, an employee may be required to work in a higher classification up to a maximum of one (1) hour at his or her regular classification rate of pay.

18.4. (a) An employee who is assigned to a classification in a line of progression, other than his own, shall receive a rate of pay equal to not less than eighty percent (80%) of his present rate of pay, except as provided for under Section 19.5.(c). However, a higher rate of pay may be established by the Company, dependent upon the employee's length of service, physical fitness, experience and capabilities.

- (b) An employee who is assigned to another classification in his present line of progression shall be paid at the wage rate established for the progressive wage step in the new classification which is equal to, or next higher than, his present rate of pay.
- (c) In the application of this Section, it is understood that an employee placed in a wage rate under the provisions of this Section may be held at such progressive wage step until his training and experience is commensurate with such wage step.

Further, it is not to be construed that an employee be paid at a higher rate of pay than the maximum established for the classification of work he is performing.

18.5. New and/or existing classifications and wage rates, with respect thereto, may be revised during the term of this Agreement. Any such revisions shall be by mutual agreement between the Company and Union.

18.6. Employees shall be allowed time off with pay to serve as jurors; however, any compensation, exclusive of mileage allowance, received while serving as a juror shall be deducted from an employee's regular pay.

18.7. The Company agrees to replace at no cost to the employee the basic hand tools and special tools that are damaged beyond use and/or repair, or worn out in service of the Company. This shall include Lineman's safety straps, climbing straps, and replaceable gaffs and work gloves.

The Company will reimburse up to \$250 for new or rebuilt safety-toed work boots or lineman boots once every two years for those employees in classifications where such equipment is required. This increased reimbursement limit shall apply one year from the date an employee

last purchased boots that were reimbursed under this Section. Employees will be reimbursed upon submission of proof of expenditure.

18.8.(a) To provide uniform appearance and ready identification, certain employees, as identified by the Company, shall wear uniforms prescribed by the Company while performing their work. These uniforms shall be worn only in the course of the performance of this work, including related wear to and from the employee's home.

- i. Related wear to and from the employee's home may include incidental stops while in route, provided such stops are consistent with the principles outlined in the Frontier Communications Code of Business Conduct and Ethics and do not violate any Company policy.
- (b) The Company will provide required uniform apparel (shirts, pants, etc.) in appropriate quantities, styles and sizes to the employees in the uniform program. The 'IBEW Local 1245' logo will be on the shirt. Replacement of all clothing will be subject to normal wear /tear or loss.
- (c) The Company will pay employees \$7.00 per week, on a per paycheck basis, for the laundering of the uniforms. The Company may, at its option, assume responsibility for having uniforms laundered.
- (d) The Company shall, from time to time, evaluate and set guidelines for appropriate attire for uniformed and non-uniformed employees. These guidelines will be implemented in a uniform and equitable fashion determinant upon the employee's job function and location.
- (e) Employees affected by this Agreement shall be expected to wear appropriate approved clothing.

18.9. Pay days shall be every other Friday. When pay day falls on a holiday, pay day shall be the preceding day.

18.10. Employees hired, or who transfer into the Needles area, after May 1, 1982, shall be required to reside within the Needles District. Exceptions to this rule can be made with prior approval of management.

18.11. Employee Discounts: The Company will provide employees with discounted telecommunications services and, if available, High Speed Internet or other services, in accord with its existing policies on providing employees with discounts on Company services, as those policies may be amended from time to time by the Company at its discretion. Notwithstanding the foregoing, the Company will continue to provide employees with a discount of not less than 50% (before taxes) of what customers pay for covered telecommunication packages. In addition, any employee on the payroll as of April 30, 2007 who is on the grandfathered 75% concession telephone benefit will continue to receive the grandfathered benefit; however, if such an employee chooses to elect the current discount program, the employee may not later elect to return to the grandfathered benefit.

18.12 Certification Differential for Outside and Central Office Technicians

- (a) In order to encourage employees to voluntarily acquire additional training and the associated skills, the Company will increase the base hourly wage rate of those outside and central office technician employees who achieve and maintain the following certification(s):

(1) Comp TIA A+	\$0.25 per hour increase
(2) Comp TIA Network +	\$0.25 per hour increase
(3) CCNA	\$0.50 per hour increase

Additional certifications may be added to this list at the Company’s discretion or with the Company’s approval. The Union may propose additional certifications on an annual basis.

- (b) Training and preparation for the certification (including taking the certification test) shall occur during non-working hours.

18.13 The Union may provide to the Company suggestions for training to maintain and enhance the proficiency of employees in their current job functions, and representatives of the Company and Union will, at the request of the Union, meet on an annual basis to discuss these training suggestions.

ARTICLE XIX
CONCLUSION

19.1. This Agreement shall be binding upon the successors and assignees of the Company, and no provisions, terms of obligation herein contained shall be affected, modified, altered or changed in any respect whatsoever by the consolidation, merger, sales, transfer, reorganization or assignment of the Company, or by any change in the legal status, ownership or management thereof.

ARTICLE XX
SEVERANCE PAY

20.1. Regular employees who are laid off due to lack of work shall be paid a termination allowance (pro-rated for part-time employees) determined as to amount by their Company seniority and basic weekly wage rate, at the time of leaving service, in accordance with the table below:

<u>Years of Service</u>	<u>Number of Weeks*</u> <u>of Severance Pay</u>
Less than 6 months	0
6 months but less than 2 years	1
2 years up to a maximum of 30 years = 1 week for each year of service, or a portion thereof.	

*Based on the current wage rates in effect at the time of termination.

20.2. If an employee who has received a layoff allowance is reemployed and the number of weeks since the effective date of leaving is less than the number of weeks' pay upon which the layoff allowance was based, exclusive of any payments in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment of this amount shall be made at the time of reemployment or through payroll deduction of ten percent (10%) per week of the employee's basic weekly wage rate until the amount is fully paid.

20.3. If an employee, who has been laid off and given a layoff allowance, is subsequently reemployed and laid off, the layoff allowance in the case of the second layoff or of any subsequent layoff shall be based upon the employee's total service less any prior layoff allowance received and not refunded to the Company.

20.4. In order to be entitled to severance pay, the employee must work through the last date on which work is made available by the Company.

20.5. No severance pay shall be paid to an employee who is laid off as the result of any sale of the property if the employee is offered a comparable position by the purchaser or successor employer.

ARTICLE XXI TEAM PERFORMANCE BONUS

21.1 The Team Performance Bonus Plan (the "Plan") is designed to encourage and recognize teamwork and exceptional employee performance. The Plan affords employees a means of participating in the growth and success of the Company resulting from improved customer service, productivity and operating competitiveness as well as providing the potential for increased income for eligible employees.

21.2 The Team Performance Bonus Plan will be in effect during **2014, 2015, 2016, and 2017** (the "Plan Years" or, individually, "Plan Years"). For each Plan Year, all eligible non-commissioned employees will be assigned to the same team and covered by the Plan.

21.3 The team performance bonus plan will include a variety of bonus components, with relative weightings and objectives, as assigned by the Company.

i. Following are examples of bonus components that may be assigned by the Company:

- Trouble Tickets per 100 Access Lines
- Commitments Met on Trouble
- Commitments Met on Service Orders
- Held Order Results
- Mean Time to Repair (MTTR)
- Preventative Maintenance Plan (PMP)
- Repeat Rate(s)
- Take the Lead Participation
- Take the Lead Revenue

21.4 The Company will establish the objectives for each component no later than March 31st of the Plan Year for which they apply. The Company will communicate all objectives to the Union and employees.

21.5 For each Plan Year, the available bonus pool will be 1% of the gross annual base wages for the bargaining unit employees. The actual Payout Percentage for each Plan Year will range from a minimum of 50% to a maximum of 150% of the available bonus pool, based upon achievement of team objectives.

21.6 Plan results will be measured, and Team Performance Bonus Awards will be paid out to eligible employees, on an annual basis based on Team results.

(i) In order to be eligible for a Team Performance Bonus Award payout, employees must be on the payroll as of December 31 of the Plan Year (e.g., December 31, **2014** for the bonus paid in **2015**). For employees who are laid off or who retire during the Plan Year, this December 31 eligibility date does not apply; the bonus will instead be prorated based on the number of full months worked that year.

(ii) For new hires and for employees who are not actively at work for 30 or more consecutive days during the Plan Year, the bonus will be prorated according to the number of full months the employee is actively at work during the Plan Year.

(iii) An employee transferring or changing bonus teams for any reason during the Plan Year will receive a bonus based upon the bonus team in which the employee resides at the end of the Plan Year (December 31). Awards will not be prorated based on time spent on each team.

(iv) Employees who are discharged for cause or who resign before the payout date are ineligible for any bonus payout.

Memorandum of Understanding

between

Citizens Telecommunications Company of California Inc.
(D.B.A. Frontier Communications of California)

and

International Brotherhood of Electrical Workers, Local Union 1245

2014 NEGOTIATIONS FINAL SETTLEMENT AGREEMENT – NEEDLES

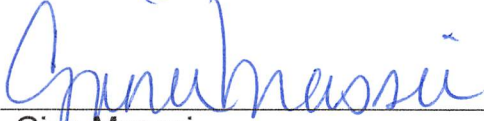
This Memorandum of Understanding ("2014 MOU" or "this MOU") dated May 3, 2014, is agreed to by and between Citizens Telecommunications Company of California Inc. (D.B.A. Frontier Communications of California and hereinafter referred to as the "Company" or "Frontier Communications") and the International Brotherhood of Electrical Workers, Local Union 1245 (hereinafter the "Union" or "IBEW") in settlement of all items regarding 2014 negotiations between the parties.

It is agreed that this MOU and the new collective bargaining agreement between the Company and the IBEW will become effective on May 3, 2014, and will remain in effect through 11:59 p.m. on May 6, 2017, when the collective bargaining agreement shall be subject to termination in accordance with the terms of Article 2 of the collective bargaining agreement. The new collective bargaining agreement shall consist of the provisions of the existing agreement, as modified by the applicable provisions of this MOU, but excluding any provisions that expire by their terms and have not specifically been renewed. The provisions of this MOU will be incorporated into the collective bargaining agreement between the Company and the IBEW.

For FRONTIER COMMUNICATIONS:



Peter Homes
Director – Labor Relations

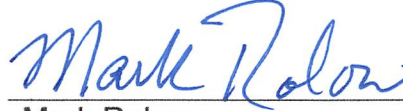


Gina Massei
Human Resources Manager

For IBEW Local Union 1245



Tom Dalzell
Business Manager



Mark Rolow
Business Representative

Dated: 5-15-15

Dated:

<p>APPROVED INTERNATIONAL OFFICE - I.B.E.W.</p> <p>December 7, 2016</p> <p>Lonnie Stephenson, President This approval does not make the International a party to this agreement.</p>
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EXHIBIT "A"

NEEDLES JOB CLASSIFICATION & WAGE INCREASES

The following classifications are covered by this Agreement:

- Communication Technician
- Network Technician
- Cable Splicer
- CATV/Commercial Clerk

The parties may agree to inclusion of additional classifications and the duties/descriptions of all classifications shall be maintained by the parties. Should either party wish to amend or modify the duties/descriptions of any classification covered by this Agreement, it shall advise the other party of the recommended change(s). The Company shall make final determinations regarding such duties/descriptions. Should the either party believe that any changes made justify a new classification and/or a different rate of pay, the parties shall negotiate with respect to said issue(s). In the event the parties are unable to reach agreement on such issue(s), differences shall be resolved by submitting such matter to Article 11, Sections 11.2ff. Nothing herein will prohibit the Company from having an employee performing such duties as it deems appropriate pending a final determination of any difference between the parties. If there is a difference regarding rate of pay, any such agreement may be made retroactively to the date an employee commenced performing the duties that are finally determined to warrant a different rate of pay, as agreed by the parties or determined via the Article 11 procedure.

These job descriptions are intended to serve only as guidelines and do not restrict the duties which may be assigned an employee and which are expected of an employee.

Communications Technician, (Level 1)

Job Duty Elements of a Communications Technician (Level 1), should include:

1. Basic Installation & Repair - Responsible for installing and maintaining all network lines (analog, voice and simple leased lined circuits, CATV service).
2. Subscriber Carrier Maintenance - Responsible for provisioning service as well as testing/replacing electronic components under supervision of a Network Technician. Responsible for Digital AML installation/repair.
3. Basic Inspection - Based on visual inspection, responsible for ensuring network construction guidelines are met.
4. Basic Splicing - Responsible for splicing all standard copper cables and simple enclosures.
5. Cable Locators - Responsible for locating and working underground cable

facilities.

6. Test Equipment - Responsible for using all appropriate test equipment in order to perform above duties.
7. Responsible for all other duties as required within limits of employee capability.

NOTE: Employee required to perform a combination of tasks 1 through 6 the majority of his/her time on a regular basis.

Network Technician - (Level 2)

Job Duty Elements of a Network Technician (Level 2) should include:

1. Complex Installation & Repair - Responsible for installing and maintaining complex Key Systems, and PABX systems in accordance with product specific training.
2. Central Office - Responsible for maintaining Central Office Switching and Transmission Facilities.
3. Subscriber Carrier Systems - Responsible for trouble shooting carrier systems; perform field repairs and/or assist and direct Communications Technicians to perform same.
4. Data Services - Responsible for installation and repair of all Digital Data Services (DDS, Switched 56, and HiCap).
5. Test Equipment - Responsible for using all appropriate test equipment in order to perform above duties.
6. Responsible for all other duties as required - within limits of employee capability.

NOTE: Employee required to perform a combination of tasks 1 through 5 the majority of his/her time on a regular basis.

Customer Service Representative Level 1 & II-

All new hires for this job classification will be placed on the Level 1 wage schedule. The annual general wage increase will be paid in a lump sum to employees in the classification of Customer Service Representative Level I & II.

Compensation

All Employees Except Needles Service Reps

May 4, 2014: 1.5% GWI

May 3, 2015: 2% GWI

May 1, 2016: 2% GWI

Needles Service Reps

May 4, 2014: 1.5% as a lump sum

May 3, 2015: 2% as a lump sum

May 1, 2016: 2% as a lump sum

*** The annual GWI will be paid in a lump sum to employees in the classification of Customer Service Representative - Levels 1 and 2.**

WAGE SCHEDULES

	Effective			
	5/5/2013	5/4/2014	5/3/2015	5/1/2016
Cable Splicer				
Network Technician				
Start	\$ 20.76	\$ 20.95	\$ 21.37	\$ 21.80
12 months	\$ 22.18	\$ 22.51	\$ 22.96	\$ 23.42
24 months	\$ 23.68	\$ 24.04	\$ 24.52	\$ 25.01
36 months	\$ 25.29	\$ 25.67	\$ 26.18	\$ 26.71
48 months	\$ 27.05	\$ 27.46	\$ 28.00	\$ 28.56
60 months	\$ 28.92	\$ 29.35	\$ 29.94	\$ 30.54
72 months	\$ 31.02	\$ 31.49	\$ 32.12	\$ 32.76
Communications Technician				
Start	\$ 20.38	\$ 20.69	\$ 21.10	\$ 21.52
12 months	\$ 21.67	\$ 22.00	\$ 22.43	\$ 22.88
24 months	\$ 23.10	\$ 23.45	\$ 23.92	\$ 24.39
36 months	\$ 24.63	\$ 25.00	\$ 25.50	\$ 26.01
48 months	\$ 28.08	\$ 28.50	\$ 29.07	\$ 29.65
60 months	\$ 29.01	\$ 29.45	\$ 30.03	\$ 30.63
72 months	\$ 29.93	\$ 30.38	\$ 30.99	\$ 31.61

Management Relief differential - Any employee assigned to replace (temporarily) a supervisor will be paid \$1.00 per hour for each hour so assigned.

Customer Service Representative - Level II	5/5/2013	5/4/2014	5/3/2015	5/1/2016
Start	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
12 months	\$ 15.99	\$ 15.99	\$ 15.99	\$ 15.99
24 months	\$ 16.97	\$ 16.97	\$ 16.97	\$ 16.97
36 months	\$ 18.02	\$ 18.02	\$ 18.02	\$ 18.02
48 months	\$ 18.76	\$ 18.76	\$ 18.76	\$ 18.76

EXHIBIT "B"
Clarification of "Board and Lodging"

1. Section 9.12. (Board and Lodging) The parties agree to schedule line crews to observe a 1/2 hour lunch period as provided in Section 9.1. language. However, in deleting the "noon day meal unless notice is given" clause in this section the parties also agree that there are circumstances that may occur on regular work day situations in which the Company shall provide employees with a lunch (at scheduled lunch time) at Company expense as follows:

- (a) When called out prior to the beginning of a regular work schedule, employees who are prevented from preparing lunch, due to the urgency of such call.
- (b) When dispatched on overnight out of town assignments.
- (c) When an employee who is assigned to work alone and part from a crew is prevented from observing their usual meal practice due to a temporary "out of town" crew assignment for the day.

EXHIBIT "C"
Supervisors Performing Bargaining Unit Work

Supervisors and other employees shall not perform work usually assigned to employees in the I.B.E.W., Local 1245 bargaining unit classifications except:

- (a) During emergencies wherein life, limb or risk of property damage is evident and no bargaining unit personnel are immediately available.
- (b) Training or instructing company personnel.
- (c) Testing and/or inspecting company equipment.
- (d) To maintain or restore service when no bargaining unit personnel are available at all due to situations beyond the Company's control.

NOTE: As discussed during the negotiating session, the above language is exactly the same as agreed to, effective 1/1/82, in Lassen. While not included above, it is expressly understood and agreed that "Accounts Receivable" is and will continue to be handled by the Company's District Supervisor in Needles.

EXHIBIT "D"
Memorandum of Understanding

Educational Assistance

The Company's Educational Assistant Program, as amended, from time to time, is applicable to bargaining unit employees.

EXHIBIT "E"

Explanatory Statements

1. Vacation groups - Vacation groups will continue to be identified by grouping those who regularly perform the same work and/or fill in for one another.
2. New job title classifications - The new job descriptions for Network Technician and Communications Technician contain multiple duties and functions. The Company will expect individual employees so classified to perform only those duties and functions for which they are trained and equipped.
3. Standby groups - The make-up of standby groups will not change, notwithstanding the fact that certain employees are being reclassified.

EXHIBIT "F"
INCENTIVE COMPENSATION AND SALES ACTIVITIES

1. The Company may implement sales or incentive, commission, prize or award plans and programs as it deems necessary to meet sales or other Company goals.
2. The Company and Union acknowledge that the selling of the Company's products and services is vital to the Company's success. Both parties expect all employees to participate in promoting the sale of the Company's products and services; however, non-commissioned employees shall not be subject to sales quotas or associated disciplinary action.

EXHIBIT G
PRINCIPLES FOR THE ASSIGNMENT OF WORK

1. The Company and Union recognize that work needs to be assigned in a way that allows the Company to provide the best possible customer service at a highly competitive cost, maximize its operational efficiencies, and consistently outperform its competitors in every facet of the business. Work will be assigned to and performed by all job classifications consistent with employees' qualifications, experience, training, and personal and public safety considerations, and in a manner that accomplishes the objectives of this Article.

- (a) It is recognized that each job classification will continue to have separate job functions in accordance with the principles outlined in Exhibit A.
2. Accordingly, when an employee is assigned work within his or her job classification, and it is necessary, in order to complete that entire job or work assignment, for the employee to perform work outside of his or her classification, the employee may perform (or be assigned to perform) any of the associated out-of-classification work, provided the employee has, in the Company's judgment, the training, experience, qualifications, and/or equipment needed to safely complete the entire job in a single dispatch or work assignment.
- (a) Employees are expected to continue the practice of notifying their supervisor if they believe they are unable to safely complete an entire job in a single dispatch or work assignment due to unsafe conditions or due to lack of experience, qualifications and/or equipment.
3. In order to complete a job in a single dispatch and/or work assignment, as provided for in Section 2 above, if an employee needs to perform work that is normally performed by a different classification and/or work group, the employee may complete the job during the scheduled and nonscheduled hours of the classification and/or work group that would normally perform the work in question.
4. The parties' primary objective in agreeing to this Exhibit G is to utilize all employees in a common sense manner to complete work, wherever possible, in a single dispatch or work assignment, in order to avoid the inconveniences to customers, the operational inefficiencies, and the overall competitive disadvantages associated with dispatching or assigning more employees than are needed to efficiently and safely complete a job.

EXHIBIT H
DIRECT DEPOSIT

1. Notwithstanding any provision in the Collective Bargaining Agreement to the contrary, and to the extent permitted by law, the Company may require employees to accept their pay via direct deposit into a U.S. bank account.

MEMORANDUM OF AGREEMENT

Between

CITIZENS TELECOMMUNICATIONS COMPANY OF CALIFORNIA INC.
(D.B.A. FRONTIER COMMUNICATIONS OF CALIFORNIA)

-and-

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION 1245

INCENTIVE COMPENSATION FOR WAGE GROUP B

This Memorandum will confirm that the parties have agreed to meet within a reasonable period of time following ratification of the 2011 collective bargaining agreement (with a targeted date of meeting during the third quarter of 2011) to discuss transitioning to an incentive compensation pay structure for Wage Group B in the Needles, CA collective bargaining agreement. The parties agree that such discussions will be held in a good faith effort to identify and negotiate an incentive compensation structure which will equitably compensate employees while allowing the Company to be competitive in both its operations and in attracting, retaining and rewarding talented sales employees in the Needles, CA retail store.

During this meeting the parties will also discuss the pension implications of Lump Sum Bonuses provided to current employees on Wage Group B.

FOR Frontier Communications:

FOR IBEW Local 1245:

Michael D. Kruger
Director – Labor Relations

Robert Dean
Business Representative

Date: _____

Date: _____